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Governor McAuliffe Announces \$89.25 Million Investment in City of Hopewell

*~ Ashland Inc. to expand specialty
chemicals manufacturing operation ~*

HOPEWELL - Governor Terry McAuliffe announced today that Ashland Inc., a leading global specialty chemical company, will invest approximately \$89 million over the next three years to expand its manufacturing operation in the City of Hopewell. The company will significantly increase production capacity, creating 17 new jobs and preserving 237 existing jobs. Virginia successfully competed against Kentucky, Texas, Brazil and China for the project.

Speaking about today's announcement, **Governor McAuliffe said**, "Ashland Inc. is one of Virginia's impressive FORTUNE 500 companies and a vital employer in the City of Hopewell. The company manufactures specialty chemical solutions in major brands used all over the globe, and provides the kind of jobs that are critical to creating a diverse, new Virginia economy. An investment of this magnitude demonstrates continued commitment to the future of the Hopewell operation, which excels as one of Ashland's top-performing plants."

"The success of Virginia's existing businesses is paramount to the health of our economy," **said Maurice Jones, Virginia Secretary of Commerce and Trade**. "Ashland continues to expand its Hopewell operation. When this expansion is complete in 2017, it will bring Ashland's total investment in the region to approximately \$180 million since 2011. We are thrilled that Ashland will remain a major corporate partner to Hopewell and the Commonwealth."

Ashland Inc. (NYSE:ASH) is a global leader in providing specialty chemical solutions to customers in a wide range of consumer and industrial markets, including architectural coatings, automotive, construction, energy, food and beverage, personal care and pharmaceuticals. Through its three commercial units – Ashland Specialty Ingredients, Ashland Performance Materials and Valvoline – the company uses good chemistry to make great things happen for customers in more than 100 countries.

"We believe the business climate in Virginia makes Hopewell an attractive site for this investment as we continue to benefit from the significant infrastructure and talented workforce we have in place," **said Luis Fernandez-Moreno, senior vice president of Ashland and president, Ashland Specialty Ingredients**. "This expansion will allow us to improve our competitive position, enhance service to our customers and support new growth opportunities in the marketplace."

The Virginia Economic Development Partnership worked with the City of Hopewell and Virginia's Gateway Region to secure the project for the Commonwealth. The Port of Virginia also provided valuable assistance. Governor McAuliffe approved a \$700,000 performance-based grant from the Virginia Investment Partnership program, an incentive available to existing companies. The company may also be eligible to receive state benefits from the Virginia Enterprise Zone Program, administered by the Virginia Department of Housing and Community Development. Additional funding and services to support the company's employee training activities will be provided through the Virginia Jobs Investment Program.

"Ashland has been a stellar partner, business and citizen of the City of Hopewell for many years," **said Hopewell City Manager Mark Haley**. "We are proud that they continue to increase their investment in the community. Our economic development team, led by Assistant City Manager Charles Dane, worked hard with Ashland and the Commonwealth of Virginia to assure this investment occurred here in this community instead of one of the competing locations. We are very excited that this announcement is occurring at this critical point in Hopewell's history."

"Creating a new Virginia economy continues to be a top priority of this administration," **said Senator Rosalyn R. Dance**. "I am especially excited about Ashland's large investment in the City of Hopewell and its impact to the City."

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